particular part, the same is transferred to Materials Management Department of Air India for disposal. These scrapped parts are disposed of through a tender process, duly categorized as metals, plastics, etc. This tendering is undertaken on behalf of Air India by the Metals Scrap Trading Corporation.

(b) No, Sir. Scrap Notes are raised in a timely manner.

(c) The issuance of scrappage note is a continuous process. The aircraft items are received in Air India Overhaul Shops which are dismantled, inspected and if found "Beyond Economical Repair" the same are scrapped and necessary scrappage advice is raised. As soon as the Scrap Note is raised, the items are handed over to Materials Management Department for further disposal action.

(d) The policy of Air India is to dispose of scrapped material as soon as there is a sizeable lot for the tenderers to bid for the same. So far there has been no accumulation of scrap material awaiting disposal. There is therefore no perceived loss in encashing the obtainable residual value. A computerized Online Materials Management System called "PROSPER" is already installed in Air India as a result of which the process of scrappage has become more efficient.

Prosecutions against vanishing companies

1175. SHRI JIBON ROY: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether under sections 63, 68 and 628 of the Companies Act, 1956, prosecutions were launched against 82 vanishing companies;

(b) if so, the details thereof; and

(c) whether vanishing of more companies from capital market was detected after such prosecutions?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) and (b) Prosecutions under Sections 63, 68 and 628 of the Companies Act, 1956 were launched against 111 vanishing companies. State-wise details of prosecutions are given in the Statement. (See below):

(c) No company has been identified as vanished after filing of prosecutions stated above.

Statement

State-wise details of prosecutions launched under Sections 63, 68 and 628 of the Companies Act, 1956 against vanishing companies

SI. No.	State	Number of companies against which prosecution filed under Sections 63, 68 & 628 of the Companies Act, 1956.
1.	Bihar	4
2.	Orissa	2
3.	West Bengal	5
4.	Delhi	10
5.	Punjab & UT of Chandigarh	5
6.	Uttar Pradesh	5
7.	Andhra Pradesh	15
8.	Kamataka	3
9.	Tamil Nadu	14
10.	Gujarat	33
11.	Madhya Pradesh	5
12.	Maharashtra	10
	TOTAL:	111

Lowering of penalties of companies by Securities Appellate Tribunal

1176.SHRI JIBON ROY: Will the Minister of FINANCE be pleased to state:

(a) whether in recent past Securities Appellate Tribunal has drastically lowered down the-penalties of some companies that were imposed by SEBI; and

(b) If so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SH. S.S. PALANIMANICKAM): (a) and (b) It is observed, from the orders passed by the Securities Appellate Tribunal (hereinafter referred to as "SAT") for the period January to November, 2004 that it has reduced the penalties which